

**REMARKS**

Claims 10 and 19-38 are now pending in this application, new claims 36-38 having been having been added by this Amendment.

The Office Action dated February 28, 2001 rejected claims 25, 27 and 29-31 as being anticipated by, or obvious from, U.S. Patent No. 4,906,828 to Halpern; rejected claims 10, 19-21, 23-24, 28 and 32-35 as being obvious over Halpern in view of U.S. Patent No. 5,140,517 to Nagata; and rejected claims 22 and 26 as being obvious over Halpern in view of Nagata, and further in view of U.S. Patent No. 5,789,733 to Jachimowicz.

**Priority under 35 U.S.C. §119**

The Office Action mistakenly states that the certified copy of the priority document has not been received. The certified copy of the priority document was filed on October 22, 1996 in parent application no. 08/690,358 (now U.S. Patent No. 5,991,747). Applicants request that the next Office Action acknowledge the filing of the certified copy of the priority document.

**Rejections of Claims 25, 27 and 29-31 based on Halpern**

The grounds for the rejection of claims 25, 27 and 30 as being anticipated by U.S. Patent No. 4,906,828 to Halpern is set forth in part 3-5 on page 2 of the Office Action. The grounds for the rejection of claims 29 and 31 as being obvious from Halpern is set forth in parts 20 and 21 on pages 8-9 of the Office Action. Applicants respectfully submit that the rejections fail to establish a prima facie case that Halpern describes or teaches and each and every one of the combination

of features recited in the rejected claims.

For example, claim 25 recites, in addition to a balance memory, “a loan memory which stores electronic data of a loan” and data written into the loan memory when “electronic data representing a money balance is less than the amount of money required for a transaction.” Exemplary, non-limiting, support for these features can be found from Fig. 13 of this application.

The anticipation rejection relies upon col. 14, lines 6-17 and lines 33-40, and Fig. 10 as teaching these features. However, the cited portions of the specification consist of claims, dependent claims 5 and 8 to be specific. They recite a value register means which may correspond to the balance memory recited in the rejected claims. They also recite debiting operations and value-crediting operations which change the value stored in the value register means. However, these operations merely increase or decrease the value in the value register means. They do not correspond to a loan as that term is used in this application.

The debiting operations are described in Halpern at col. 3, lines 9-23, and especially col. 7, lines 52-64. In particular, Fig. 10 includes steps 2 to 7 of Fig. 8. At step 5 in Fig. 8, it is determined whether the value stored in the card is adequate for a particular transaction. If it is, then the transaction proceeds according to step 6. But if it is not, then that fact is displayed and the card is ejected from the terminal. In other words, the transaction is halted. This is the unfortunate result which is discussed in the Background of the Invention at pages 1-3 of the specification and which the claimed invention seeks to avoid by making a loan. Of course, because Halpern does not even contemplate making a loan, it does not contain a loan memory and does not make a loan when the value stored in the card is inadequate.

Claims 27 and 29-31 dependent on claim 25 and thus allowable over Halpern for at least the same reasons as claim 25. In addition, claim 29 requires that the transaction is a train fare or a bus fare. The rejection merely concludes that such a requirement is obvious. Such a rejection is *prima facie* improper because it fails to cite any reference whatsoever in support of its allegation of obviousness. Furthermore, it fails to address the advantage that, because the invention prevents the interruption of a transaction because of inadequate card value, it is especially suited for applications such as train or bus fares where the efficient transport of passengers without delay is a primary objective. Furthermore, claim 30 recites the upper limit of a loan. While Halpern discusses a limit, that limit is on the amount of value that can be stored in the card, and not on the amount of loan.

Obviousness Rejection of Claims 10, 19-21, 23-24, 28 and 32-35

The grounds for the rejection of claims 10, 19-21, 23-24, 28 and 32-35 as being obvious over U.S. Patent No. 4,906,828 to Halpern in view of U.S. Patent No. 5,140,517 to Nagata is set forth in parts 8-18 on pages 3-8 of the Office Action. Applicants respectfully submit that the rejection fails to establish a *prima facie* case that the cited references suggest each and every one of the combination of features recited in the rejected claims.

The obviousness rejection relies upon Halpern in the same manner as the anticipation rejection of claim 25. Therefore, the rejected claims are also allowable for at least the same reasons as claim 25. Although made confusing since the rejection has carried through deleted subject matter (as well as the brackets used previously to indicate the deleted subject matter), it

apparently relies upon Figs. 7 and 8B of Nagata for the additional features of correlating the ID number of the card when accessing the loan information. However, Nagata also does not contemplate a loan. Step S60 in Fig. 8B determines "Amount OK". If the amount is not adequate, then it proceeds to step S48 in Fig. 8A in which the memory in the card is erased.

Independent claim 32 also contains these features recited in claims 10 and 25 and is thus allowable for these reasons as well. All other rejected claims are dependent claims and thus also allowable for these reasons as well.

Obviousness Rejection of Claims of Claims 22 and 26

The grounds for the rejection of claims 22 and 26 as being obvious over U.S. Patent No. 4,906,828 to Halpern in view of U.S. Patent No. 5,140,517 to Nagata and further in view of U.S. Patent No. 5,789,733 to Jachimowicz is set forth in parts 23 and 24 on pages 9-10 of the Office Action. Applicants respectfully submit that the rejection should be withdrawn at least because Jachimowicz is not prior art. The Jachimowicz patent issued from an application filed on September 20, 1996. This application is a continuation of patent application no. 08/690,358 filed on July 26, 1996 (now U.S. Patent No. 5,991,747) and is therefore entitled to the July 26, 1996 filing date of the parent application. Since the parent application was filed before the application which resulted in the Jachimowicz patent, the Jachimowicz patent is not prior art and the rejection should be withdrawn.<sup>1</sup>

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<sup>1</sup> The Corder et al patent described in part 25 of the Office Action as prior art made of record is also not prior art for similar reasons.

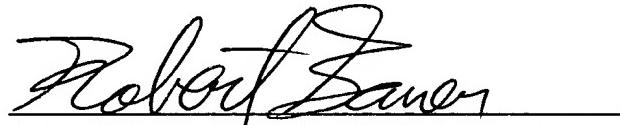
Amendment

Applicants have amended the application to add new claims 36-38 since there are no method claims in the application. New claim 36 is an independent claim. Claims 37 and 38 are dependent on claim 36. New claim 36 is substantially similar to apparatus claim 25 and applicants submit that claims 36-38 are allowable for at least the same reasons as claim 25.

A payment in the amount of \$208.00, which includes additional claims fees in the amount of \$98.00 for the newly added claims, is submitted simultaneously herewith. The Commissioner is hereby authorized to charge any additional fee(s) which may be necessary for the consideration of this Amendment, including extension of time fees, to the account of Antonelli, Terry, Stout & Kraus, LLP Deposit Account No. 01-2135 (501.34746CX1).

Respectfully submitted,

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